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NEWSLETTER

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THE FEDERAL CROP INSURANCE CORPORATION
UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C.

December 21, 1940

Number 26



PLANS FOR '42 DEVELOPED AT FCI CONFERENCE

INSURANCE IN 1940 MEANT INCOME TO 108,000 GROWERS

Approximately 3,500 Payments Yet
Due Under Deferred Settle-
ment Plan

With payments completed on 108,331 contracts the indemnity phase on the 1940 program is just about but-
toned up. About 3,500 pay-
ments were yet to be made
under the deferred settle-
ment plan as of December 6
which when completed will
bring the final total for
the 1940 crop year up to
111,800 indemnities involv-
ing some 22 million bushels.

More than 73,000 of
this year's indemnity pay-
ments have been handled
through the Kansas City
branch office owing to the
extremely heavy abandonment
in certain areas of States
under its jurisdiction. In
this connection it should
be remembered, however, that
nearly half of all 1940
contracts were issued from
the Kansas City office and
a little more than 59 per-
cent of total premiums
collected were from the
Kansas City area.

It figures out that one
out of every $3\frac{1}{2}$ insured

READ THE NEWS!

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farmers received the bene-
fits of insurance protec-
tion on their 1940 wheat
crop. Loss claims for the
country as a whole averaged
about 200 bushels each,
enough to pay the average
premium for several years
to come even if crop fail-
ure does not again strike
any of these particular
farms.

December 6 figures show
that a total of 34,532
growers elected to utilize
the deferred settlement
plan of payment; 31,033 of
these have been paid.

The usual indemnity re-
port by States is on page 2.

DID YOU KNOW THAT wheat is
the main source of income
for a million U.S. farmers.

Careful Consideration Given to All Proposed Changes From Present Program

The third annual con-
ference of the Federal Crop
Insurance Corporation
meeting in Washington,
D. C., from the 25th to
the 28th of November, re-
sulted in a thorough dis-
cussion of plans for the
next crop year.

State committeemen,
State supervisors, and
other representatives from
every important wheat-grow-
ing State attended the
conference. Committees
made up of these State
committeemen were assigned
to study various phases of
the program and submit re-
commendations to the whole
conference for discussion
and adoption. Among spe-
cific recommendations made
by these committees were:

1. The August 31 clos-
ing date for winter wheat
and the February 28 closing
date for spring wheat be
retained;

2. The conference went
on record as favoring the
extension of the insurance
program to corn and cotton.

3. It was recommended
that further research be
continued toward insurance
(See CONFERENCE page 4)

Newsletter is designed to inform field workers of the A. A. A. and F. C. I. C. of
developments in the crop insurance program and is not for general distribution.

INDEMNITY REPORT AS OF DECEMBER 6, 1940

1940 PROGRAM

States	Total indemnities paid (number)	Total contracts issued (number)	Total indemnities paid (bushels)	Total premiums received (bushels)	Estimated insured production (bushels)
<u>WASHINGTON OFFICE:</u>					
Delaware	83	451	6,269	4,209	102,221
Maryland	157	1,256	9,667	14,999	409,626
New Jersey	4	109	264	594	17,983
New York	38	878	2,007	5,858	132,649
North Carolina	23	198	362	928	19,413
Pennsylvania	633	5,811	29,710	36,143	979,356
Virginia	121	1,168	4,719	9,513	244,281
Total	1,059	9,871	52,998	72,244	1,905,529
<u>CHICAGO OFFICE:</u>					
Illinois	789	14,899	35,893	231,645	2,978,222
Indiana	3,061	28,373	122,531	306,647	3,937,593
Iowa	701	7,232	46,944	107,067	1,245,745
Kentucky	141	979	8,212	15,932	159,895
Michigan	1,492	15,945	56,491	93,297	1,881,248
Ohio	2,368	28,767	75,848	323,158	3,998,264
Tennessee	33	245	1,340	3,098	43,969
Total	8,585	96,440	347,259	1,080,844	14,244,936
<u>KANSAS CITY OFFICE:</u>					
Colorado	1,682	3,709	404,442	264,453	1,071,005
Kansas	24,838	60,506	8,235,776	3,979,480	23,796,620
Missouri	2,958	21,687	139,443	271,225	3,536,890
Nebraska	30,962	57,244	5,067,918	2,113,769	13,161,925
New Mexico	43	62	21,099	12,817	34,210
Oklahoma	7,629	25,387	1,271,696	915,486	8,394,760
Texas	5,361	11,030	1,639,177	1,109,483	4,935,355
Total	73,473	177,625	16,779,551	8,666,713	54,930,765
<u>MINNEAPOLIS OFFICE:</u>					
Minnesota	1,952	21,219	124,015	348,954	3,335,913
Montana	1,030	4,143	318,615	534,013	2,239,033
North Dakota	9,581	31,672	1,746,154	1,999,694	10,612,694
South Dakota	8,765	20,901	1,364,326	1,078,246	3,803,493
Wisconsin	94	555	3,048	3,103	37,999
Wyoming	750	1,270	223,374	126,327	543,254
Total	22,172	79,760	3,779,532	4,090,337	20,572,386
<u>SPOKANE OFFICE:</u>					
California	1,072	2,068	621,690	154,199	2,263,343
Idaho	666	6,873	79,163	133,052	2,901,317
Nevada	54	105	5,469	1,932	36,598
Oregon	432	2,006	139,387	228,268	3,653,560
Utah	96	679	12,954	25,930	423,395
Washington	722	3,539	178,210	230,245	5,366,274
Total	3,042	15,270	1,036,873	773,626	14,644,487
GRAND TOTAL. 1/...	108,331	378,966	21,996,213	14,683,764	106,298,103

1/ This total includes only indemnities actually paid. It does not include payments due under the deferred settlement plan.

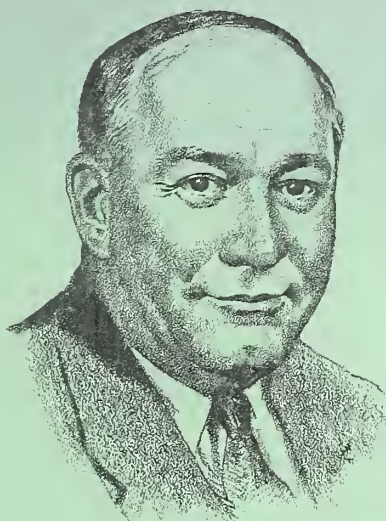
FROM LITTLE EGGS BIG HOPPERS GROW!

The fall grasshopper egg survey in North Dakota shows that infestation will likely be most severe in the east-central part of the State according to F. Gray Butcher, Extension Service entomologist at the North Dakota Agricultural College.

A heavy to severe population of eggs, Butcher said, was found in Barnes, Stutsman, Steele, Griggs, Foster, Eddy, Wells, and Nelson Counties, and in portions of adjoining counties. There has been a considerable reduction of infestation in the Red River Valley except in Pembina County where the 'hopper prospects are very bad. Another heavily infested section was found, he said, along each side of the Missouri River from the northern part of Morton County to the South Dakota border.

Preliminary estimates are that 10,000 to 12,000 tons of bait will be required to control North Dakota 'hoppers in 1941. In writing crop insurance in areas where grasshoppers are a serious threat to the 1941 crop, field workers are cautioned to make it clear to wheat growers that losses caused by 'hoppers will be indemnified only if it can be shown that a reasonable effort was made to prevent loss by such cause.

Heading up the FCIC—



Mr. Leroy K. Smith

is general manager of the Federal Crop Insurance Corporation . . . between times, or at the same time, he is a farmer too. Hates to have his picture taken . . . interviews are his pet peeves. He was elected to the first AAA community committee at Lamar, Nebr., in 1933 and was chairman of the Chase County wheat allotment committee till June 1935 . . . then became chairman of Nebraska State Grain Board. For 2 years beginning March 1936 was a member of his State AAA committee after which he was crop insurance coordinator until he became FCIC manager in August 1938. Lee (that's what his many friends call him) owns his farm in Chase County, Nebr. . . always wanted to be a farmer. Nothing else ever entered his head when, as a youth, he thought about what he would do when

(See Smith page 7)

Unharvested Wheat In Idaho Sprouts

Now comes word that a new type of damage has been done to wheat crops in Latah County, Idaho. County Crop Insurance Administrator Lowell Isaksen reports that the long wet spell during September prevented many farmers from harvesting their wheat which caused the kernels to sprout in the head.

Isaksen said that to the best of his knowledge this was the first instance where insured farmers had claimed a loss due to damage caused by unharvested wheat sprouting. According to the University of Idaho weather bureau, September rainfall in the State broke all previous records with 4.21 inches.

One thousand and one applications for 1941 crop insurance had been received from Latah County at the close of the winter wheat sign-up and before there was any evidence of damage by wheat sprouting in the head. These growers are guaranteed the production of 596,000 bushels of wheat from 32,300 acres. Thus, every insured grower in Latah County next year will, on the average, receive income from 596 bushels of wheat, rain or shine. The total cost of this protection is approximately 17,700 bushels or about 33½ bushels guaranteed production for each bushel of premium paid.

FCI CONFERENCE

(Cont'd. from page 1)

on citrus fruits, tobacco, and rice;

4. The adoption of a long-term contract for 1942 was opposed.

The conference opened with the introduction of Mr. Grover Hill, Assistant Secretary of Agriculture. Directing his remarks to state and county committee-men, he said:

"Upon you depends the success or failure of this wheat insurance program... I want to congratulate you on the headway you have made up to now. You have done a good job, a swell job, and you are working out the rough spots in a splendid way, but there is still a lot to be worked out ... I congratulate you on the work you are doing and encourage you to redouble your efforts because we do need to redouble them."

Upon conclusion of Mr. Hill's remarks, Corporation Manager Leroy K. Smith reviewed in some detail the various phases of the program's set-up from its inception in February 1938 to the present time. He stressed the importance of uniformity in carrying out the Corporation's activities and gave a few of the many reasons why deviation from a uniform procedure might be unwise. Erwin Anderson, head of the Field Coordination Section, followed Mr. Smith's discussion with a summary of each problem that would be in line for discussion.

Basing their recommendations on experience gained during the past year, the Committee on Yields and Rates recommended that no major revisions be made on the 1941 listing sheets. After the reading of this committee's report by its chairman, Dallas Hansen, a lengthy discussion took place regarding the formula to be used for adding the 1940 crop experience. The 1942 procedure on yields and rates will reflect the results of this discussion. Other members of the Yield and Rate Committee were: Glenn Harris, William MacDonald, William Hechler, J. Carl Wright, W. H. Evans, Willis Bengay, S. E. Purvines, Ben Marsh.

The Committee on Applications and Application Procedure gave the long-term contract a thorough going over and concluded that while a long-term contract might be desirable from the standpoint of eliminating year-to-year selectivity, certain obstacles would need to be removed before such a contract would be acceptable. The committee was of the opinion that the procedure as developed for the 1941 program should be given a complete trial before we depart from such procedure. Recommendations on other phases of the application procedure had to do with inequities in premium rates due to size and location of tracts, total insured production, notices of

seeding, and closing dates.

With regard to the latter item it was unanimously agreed that the present closing dates be retained for the next crop year. Bernie Holmes of Nebraska was chairman of the Application and Application Procedure Committee. Other members were: E. R. Duke, Edward Kottas, Alvin McCormack, Simon Downey, John Buck, H. Earl Probst.

The report of the Committee on Program Changes Requiring Enabling Legislation received a great deal of discussion regarding the feasibility of insurance on the upper 75 percent of the yield. It was recommended that such a plan, if adopted, should be optional with the various states and individual applicants. Other recommendations of this committee were that insurance should be written on a flat rate basis in certain areas, that further research be made with respect to the effect that quality insurance might have on rates, and that enabling legislation be enacted to include cotton and corn in the insurance program, and that research be continued toward extending the program to citrus fruits, tobacco, and rice. This committee's report was read by its chairman, James Walker. Other members of the committee were: Leo McManus, Orville Lee, Maurice Douglas, F.W. Colby, James Paulsen, F. H. Richardson, Clarence Swanebeck.

Paul Nystrom, chairman of the Committee on Infor-

nation and Presentation of Program, presented the report of his committee which recommended that substantially the same methods be used to present the next year's program as have been used in the past. It was stressed, however, that developing and maintaining more vigorous leadership on the part of community committees was of real importance. The respective merits of circular letters, pamphlets, posters, and mats, film strips and movies, press and radio, and Newsletter were discussed. The results of this discussion will be reflected in future informational material. On the Information Committee with Mr. Nystrom were Gilbert Bonnstetter, Fred Borner, Harvey Egan, A. W. Johnson, Paul Larson, Archie Camp, and Elmer Hulse.

After reviewing the methods used in the 1939 and 1940 crop insurance programs, the Committee on Indemnity Payments recommended that the insured be given the option of (1) immediate cash settlement, or (2) deferred-loan settlement. Other matters coming under the purview of this committee were limitation of loans, and local storage of reserve wheat. The recommendations of the committee on these matters will be set forth in the 1942 regulations and procedures. Lawrence Norton was chairman of the Committee on Indemnity Payments, with Lloyd Tarvestad, John Fraser, Ted Rupert, Baxter Hall, Cecil Hemphill, T. M. Cornwell, Clar-

ence Ocheltree, and John East as the other members.

The Committee on Irrigation and Other Special Practices recommended that any crop failures caused by causes beyond the control of insured growers be included in the coverage and that there should be both an irrigated and non-irrigated yield and premium rate established for all farms where it is probable that the two methods of operation will be carried on. This committee also recommended that a closer study on the results of summer fallowing be made and that check yields be established that would reflect the trend toward this practice. Other members of the committee were: J. H. Williams presented the report for the above committee. Other members were Jess Alton, Ray Nimmo, Robert Green, Charles Gregory, John Loran, Oliver Warmbrod, William Scherm, and John East.

The Committee on Pricing of Wheat and Basic Market Areas made its recommendations on such matters as the date of establishing prices for cash equivalent, the use of local rather than basic market prices, handling charges, county versus state price differentials, and elimination of basic market areas. The recommendations of the committee as submitted by Chairman Lyle Hague regarding these items were approved by the whole conference with very little change. Other committee members were W. A. Talbot,

B. E. Anderson, Knut Swanson, Alfred Johnson, Clyde Noble, Marian Shoemaker, A. D. Godfrey, and C. E. Johnson.

The report of the Committee on Loss Settlements included the following recommendations: Continuance of the 1940 adjustment procedure; that no restriction be placed on the utilization of insured acreage be left to the determination of county committees subject to state office approval and that such releases be delayed as long as practicable; that a more uniform application of the present procedure regarding appraisals for salvage value be followed by closer coordination between regions, states, and counties; and that an optional inspection of wheat acreages be left optional and handled by state committees. Members of this committee were William Wolf, chairman, Harry Conbrink, George Hall, Elmer House, V. P. O'Reilly, J. A. Farrar, Emmett Womer, William Webster, and George Dy-singer.

Grady County Does Well

Grady County, Okla., just about doubled its participation in the crop insurance program this year; 1,139 contracts on the 1941 crop as against only 612 in 1940. Reasons given for this remarkable increase are a better understanding of the program by growers and satisfactory evidence of the program's value through settlement of losses in the county last spring.

⚡ PICTURES-PICTURES-PICTURES! ⚡

is this



**YOUR
FARM?**

Pictures! Pictures! Pictures! Here they are in "Is This Your Farm." A lot to see but not much to read in this 12-page pamphlet. In three colors: green, gray, and black. Size 7 by 10 inches. You may have seen many similar crop-damage scenes. But not all the farmers in your county have. Be sure they see what HAS happened to farms in this country. And what has been done about it. Maybe their farm IS pictured in this leaflet. Ready for distribution in a week or so. HOW MANY PLEASE?



This is the title frame of a 56-frame film strip which can be obtained through State AAA offices in the very near future. In a little different way than has been attempted before, it portrays the ups and downs of wheat farming and gives actual figures on what the FCI program has accomplished to date toward stabilizing wheat income.

A 4-page pocket-sized leaflet. Well illustrated. "Danger Ahead" pictures the many hazards wheat growers face each year. Not too many words. Should be off the press in 6 weeks. The leaflet fits a No. 10 envelope.



A red, white, and blue poster 22 by 28 inches. See if you can avoid the farmer's pointing finger! Distribution to spring wheat states on or about the first of the year. Copies to winter wheat states later for next year's sign-up. Each county should have an adequate number. How many?

ARE YOU PREPARED

against crop failure?

CROP INSURANCE GUARANTEE

- *Wheat Income*
- *Assured Yields*
- *Security*
- *Credit*

ALL-RISK INSURANCE IS PREPAREDNESS!
SEE YOUR COUNTY AAA COMMITTEE

★ _____ ★

Insured Production In Wyoming Is 1/2 Million

Goshen County, Wyoming, with 453 insured growers this year leads all other counties in the State. Other counties having noteworthy participation are Laramie with 284; Platte with 160; Crook with 126, and Campbell with 103. The total insured winter wheat production for the State is about a thousand bushels shy of half a million.

SMITH

he grew up . . . in those days, like everyone else thinking of farming, he expected to make a fortune. Lee outgrew that a long time back, however . . . Likes nothing better than to drive a car, and fast . . . he "kind of let's her coast." (Few people call 70 to 90 miles an hour "coasting" but that's just breezing along for Lee) . . . He's overboard on football games although as a youth was a furious forward on a Council Bluffs, Iowa, quint . . . played basketball four nights a week. He does more than just work at crop insurance . . . he thoroughly believes in it. Has paid out about 1,600 bushels of wheat each year to insure his wheat crop. This year he collected an indemnity--about 77 bushels on a contract covering a 112-acre farm.

P.S. -- When good cooks yell "chicken and dumplings" Lee comes arunning!

TIMELY TIPS

SEVERAL STATES HAVE MADE VERY APPROPRIATE USE OF THE FCI PORTABLE EXHIBIT STRUCTURES TO DISPLAY AND EMPHASIZE LOCAL SLANTS ON THE FARM PROGRAM.

* * *

At the recent conference held at Washington, it was overwhelmingly agreed that Newsletter should continue to be used as an informational medium but that more news of county and community activity should appear in it. Therefore, news items on outstanding accomplishments in counties and communities will be gladly received. Tell us what and by whom noteworthy things were accomplished; how the next seasonal phase of the FCI program will be undertaken; to what use farmers in your community are putting their indemnity payments; and which field worker wrote the greatest number of contracts. Describe the largest contract in your community, and tell us about the biggest indemnity. Send us some actual accounts of what insured growers say about the program.

* * *

IN THE 1940 CAMPAIGN ONE KANSAS COUNTY AWARDED PRIZES TO THE THREE SUPERVISORS WHO WROTE THE MOST APPLICATIONS. IN 1940 THIS COUNTY HAD TWO CROP INSURANCE TEAMS WHICH INJECTED ENTHUSIASM INTO THE SIGN-UP CAMPAIGN AND BROUGHT GOOD RESULTS.

(See story, page 8.)

South Dakota Farmer Prevents \$5500 Loss

A. W. Rewinkel of Bennett County, S. Dak., is \$5,574 better off this fall than he would have been had he not insured his 1940 winter wheat crop. Just to demonstrate that he is thoroughly sold on the insurance program, Mr. Rewinkel repeated this year, with insurance on a larger acreage than last.

On a 4,160 acre farm, Mr. Rewinkel last year insured 1,386 acres of winter wheat which assured him an income of 12,162 bushels. His premium amounted to 3,407 bushels. Actual harvested production on the land was 2,872 bushels, leaving an indemnity of 9,290 bushels.

Premium rates for the fields on Mr. Rewinkel's farm varied from 2.2 to 2.7 bushels, on yields from 9.1 to 12.2 bushels to the acre. About 20 percent of the crop damage was from a late May frost last spring, while drought accounted for an estimated 80 percent of the loss.

Repeating for 1941, Mr. Rewinkel has insured 1,601 acres of wheat for 12,651 bushels at a premium cost of 4,157 bushels. All-risk wheat crop insurance has become just as much a part of this man's farming operations as seeding.

DID YOU KNOW that trade between the United States and Latin America amounts to about one billion dollars annually, or about one-fifth of U. S. world trade.

TIGERS AND CATS CLAW FOR HONORS IN KANSAS CONTEST

Wildcats Win by 22 FCI Contracts
Whereupon They are Dined
By the Tigers

Among the items sent in periodically from the Kansas State office for publication in the FCI Newsletter, we find a description of the methods used in Washington County to accomplish the fine record this county enjoys. Norman Allerheiligen, Secretary of the Washington County ACA, expresses it this way:

"In the 1940 campaign, the county committee held a contest awarding prizes to, and providing a dinner for, the three supervisors writing the most applications. Due to the fact that all supervisors were not working on an equal basis as far as territory is concerned, it was believed more advisable not to award individual prizes, but to have two teams for 1941.

"To accomplish this, the county committee gave a dinner at a "hop-off" meeting, at which time the supervisors drew numbers to see which team they would be on. They were thus divided into two groups: the Tigers and the Wildcats. The team writing the largest number of contracts, it was agreed, would be fed by the losing team. Including the entire office force on the two teams helped consid-

erably in working up enthusiasm, and also brought the office force and the supervisors closer together.

"During August all supervisors were currently informed as to how the contest was going in order for them to know their relative standing. A week before the last day of the contest, all supervisors were called in for a half-day meeting to discuss problems common to all of them. A chart showing the number of applications written in each township was presented. This chart inspired the supervisors who were in the lead to work hard to stay there and also inspired those that were lower to work harder to bring their number up somewhere near the high man.

"The Wildcats won by a small margin of 22 contracts. It was, therefore, up to the Tigers to give the Wildcats a banquet.

Perhaps the Indian Was Right!

A well-known farm magazine recently sponsored a contest whose purpose was to get an explanation of why a gullied field and a deserted house go together. One contestant, after looking at two pictures--one of an abandoned farm house and one of a gullied field--had this to say:

"Both pictures show white man crazy. Make big tepee. Plow hill. Water wash; wind blow soil. Grass gone, land gone, door gone, window gone; whole place gone to hell.

"All FCIC workers including the entire office force was present. Guest speakers of the evening were Lawrence Norton and Louie Knight who gave very interesting talks regarding crop insurance and other phases of the farm program. The captains of each team introduced the high-point salesman of his team and others meriting honorable mention. Comment and discussion was led by county committeemen.

"Washington County wrote 1,440 crop insurance applications for 1941, insuring 28,000 acres to produce 370,000 bushels."

DID YOU KNOW THAT the number of wheat loans through Nov. 26, 1940, totaled 415,004 against 226,750 on the same date last year. This year's wheat under loan was valued at \$187,849,256.09.

Buck gone. Squaw too. Papoose gone. No chuckaway, no pig, no corn, no cow, no hay, no pony.

"Indian no plow land. Keep grass. Buffalo eat. Indian eat buffalo. Hide make tepee, make moccasin. Indian no make terrace, no build dam; no give damn. All time eat. No hunt job, no hitch-hike, no ask relief. No shoot pig. Great Spirit make grass. Indian no waste anything. Indian no work. White man heap loco.--O. E. Enfield, Arnett, Ellis County, Okla."

PORTABLE WINDOW DISPLAYS CAN BE PUT TO GOOD USE

New Pictures Showing Merits of FCI Program Will Be Available

Copy for a new set of pictures to be inserted in the FCIC portable window exhibits is now in the hands of the photographer and will be distributed in plenty of time for display before Christmas and New Year's. The title of the forthcoming display is "Money for Merchandise" and is designed to show how crop insurance not only cushions the effect of crop failure for the farmer but also helps the home town merchant stabilize his income enabling him to give better service to his customers.

Copy for several other displays has been worked out so that there will be no need to let any one display remain unchanged for more than several weeks or a month.

One of these "visual" stories is entitled "Crop-Failure Defense." It stresses the indemnity angle showing how a guaranteed source of income every year helps farmers pay for repairs, fuel, clothes, and other necessities. Another story is entitled "Insurance Against Invasion" and points out how repeated attacks by crop hazards have caused land to be over-farmed and ruined; abandoned homes; and human beings to be deprived of things they de-

Rector Becomes Chaplain

F. Eugene Rector who has served as crop insurance supervisor in Blaine County, Okla., entered the U. S. Army some time ago as chaplain of the 189th Field Artillery for a year of training service. Emmet Wray, a resident of the county for 40 years and a successful wheat farmer, has been appointed to the position vacated by Mr. Rector.

Two Illinois Counties Have Good '41 Record

Harold A. Keeley, chairman of the AAA in Macoupin County, Ill., reports that his county has issued more 1941 crop insurance contracts than any other county in Illinois. Not only that, Macoupin County has increased its 1941 participation in the program by almost 8 percent over 1940 -- 1,646 contracts this year against only 508 last year. More than 25,000 acres in the county are insured to produce 308,000 bushels in 1941.

Morgan County is runner-up for the number of insured farmers but is first from the standpoint of insured production with a guaranteed yield of more than 378,000 bushels in 1941.

serve. Still another display, "Crop Insurance Means Conserving Soil," stresses the importance of assured income toward conserving the land, those who live on it, and their property.

Wayne County Growers Collect 4,500 Bushels

Insured wheat growers in Wayne County, Ind., who suffered wheat losses on their 1940 crops have received indemnities bringing their 1940 yield up to 75 percent of an average crop. Through November 15 approximately 100 claims had been settled totaling nearly 4,500 bushels of wheat.

More than 500 Wayne County growers paid some 4,800 bushels into the Corporation's group reserve to protect their 1940 harvest against the types of losses for which some of them have now been indemnified.

Ralph Waltz, chairman of the Wayne County Soil Conservation Association says losses in his county were caused this year by rust, blight, drought, flood, and winter-kill. He also reports that "farmers are putting their crop insurance indemnities to good use. They are using them to pay interest on loans, to pay taxes and other bills, for home and farm improvements, to finance the planting of soil-building crops and the like. "Many farmers," he said, "are using this income to help finance the preparation of the seedbed and the buying of seed for the next crop."

DID YOU KNOW that Argentine wheat production varies from year to year, but over a period of years it about equals that of Kansas and North Dakota.

'41 CROP PROSPECTS ARE BEST IN YEARS

Moisture Conditions Favorable In All Important Wheat-growing States

"The soil, especially the top layers, is now well supplied with moisture considering the country as a whole. Most of the Great Plains is unusually moist for the season; in Kansas the penetration is to a depth of 1 to 2 feet or more in practically all sections of the State. . . The present moisture situation is in marked contrast to last year when conditions were extremely dry throughout the interior, and especially the western Wheat Belt." So says the U. S. Weather Bureau's Weekly Weather and Crop Bulletin for the week ending December 3, 1940.

The current condition of the next wheat crop in most of the States is reported as follows:

CALIFORNIA--Warmth somewhat above normal; no rain. COLORADO--Winter wheat good, affording pasture in open areas. IDAHO--Moderate to heavy precipitation in north; elsewhere light to moderate. ILLINOIS--Condition of winter wheat mostly fairly good to good, though plants unreasonably small in many areas. INDIANA--Wheat generally good and well rooted for winter. IOWA--Moisture ample for winter wheat. KANSAS--Inch or more of rain in southeast, lighter elsewhere but ample; snowfall light

and soon melted. Winter wheat dormant, but good to excellent condition with sufficient soil moisture to carry it through winter. MARYLAND and DELAWARE--Wheat good color; made some growth and in good to excellent condition. MICHIGAN--Precipitation far above normal. MINNESOTA--Winter grains well protected; greatest November precipitation at Minneapolis since 1857; November 1939 was driest in over a century. MISSOURI--Rains beneficial to all winter grains. MONTANA--Precipitation general; Winter wheat good. NEBRASKA--Moderate precipitation in southeast, none in west third, light elsewhere. Soil moisture ample and condition of winter wheat good in southeast, rather poor elsewhere; more rain needed. NORTH DAKOTA--Continued light snow. OHIO--Frequent precipitation; condition of winter wheat mostly good. OKLAHOMA--Surface-moisture conditions generally best in years. Progress of winter wheat fair; condition mostly good. OREGON--Occasional light snow and rain in east, frequent moderate to locally heavy rain in west; wheat good. PENNSYLVANIA--Winter grains good; late wheat not up in northeast. SOUTH DAKOTA--Light precipitation general; snow blanket beneficial for fall grains. TEXAS--Winter wheat good progress since rains last

week and generally good condition, but plants rather small most sections WASHINGTON--Wheat in good condition and not damaged by previous freezing. Considerable wheat seeding remains for spring in Walla Walla Valley account of wet soil during past two months.

Losses or not, Kansas Farmers Insure Again

Crop Insurance figures from Decatur and Brown Counties, Kans., seem to show that the amount of indemnities collected in any one year has little effect, if any, on the amount of insurance written the following year.

Decatur County, for instance, in 1940 had 1,120 insured growers, 997 of whom collected a total of 347,000 bushels of indemnities largely due to drought last fall and winter. Only 60 of Brown County's 2,099 insured growers collected indemnities totaling 2,948 bushels.

Both of these counties show a decrease in participation of about the same ratio in 1941 as against 1940; 900 Decatur County growers insured their 1941 crop and 1,750 in Brown.

DID YOU KNOW THAT half of Nebraska's 1940 wheat crop is stored in the AAA ever-normal granary.



UNITED STATES DEPARTMENT OF AGRICULTURE
FEDERAL CROP INSURANCE CORPORATION
(Name of town and state)

Dear Mr. Blank:

How many times have you been "up a tree" financially because your wheat crop was less than average or a total failure?

Few wheat farmers who have been in the wheat-growing business for any length of time can say they have never had a crop failure. Production records for thousands of American wheat farms show that crop failure has struck two, three, and even more times in succession. Very few wheat farmers indeed, can experience two or three or four bad years in a row without getting "up a tree" financially. Too many have been pushed far out on a limb of this proverbial tree only to suffer the natural consequence of a severe jolt.

So, through no fault of his own, the wheat grower has often found himself without the necessary funds or credit to do a first rate job of farming. Foreclosures caused by crop failure have not been unusual. Too often the wheat farmer has found himself in a position where he could not give his family all he would like them to have in the way of food, clothing, and education because successive crop failures have drained his finances.

It has been UNUSUAL though, that the wheat grower has had no way to protect himself against his natural enemies. The banker, the merchant, the doctor, and men and women in practically every other business or profession have for many years been able to insure against disasters that might destroy or impair their capital investment and in turn their means of livelihood.

Now, through the Federal Crop Insurance Corporation, the wheat grower may insure his growing crop--the thing he depends upon for his livelihood. Protection is offered under one and the same contract against drought, flood, hail, insects, plant disease, and all other hazards that are beyond control by man.

Your county AAA committee can tell you what yield you can guarantee per acre and how much it will cost you. They will also give you any other details you may wish to know about the Federal "all-risk" crop insurance program.

Very truly yours,

_____, Chairman
County AAA Committee

